

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into as of October 1, 1994 between Landmark Education Corporation ("Landmark"), on the one hand, and Advance Magazine Publishers, Inc., d/b/a Conde Nast Publications, Inc. and Self Magazine ("Advance"), and Dirk Mathison ("Mathison"), on the other hand (collectively "Defendants").

RECITALS

WHEREAS, Mathison authored and Advance published an article entitled "White Collar Cults -- They Want Your Mind", with a sidebar entitled "America's Most Wanted Cults", which appeared in the February 1993 issue of Self magazine (the "Article"); and

WHEREAS, Landmark and its program the Forum were a subject of the Article; and

WHEREAS, Landmark filed a action inter alia for defamation in the Supreme Court, New York County, entitled "Landmark Education Corporation v. The Conde Nast Publications, Inc. d/b/a Self Magazine, Advance Magazine Publishers, Inc. d/b/a Self Magazine and Dirk Mathison", Index No. 114814/93 (the "Action"); and

WHEREAS, the parties are desirous of settling the Action in order to avoid the costs, expense and uncertainty of litigation;

NOW, THEREFORE, the parties agree as follows:

1. Defendants will publish or cause to be published in Self Magazine, to appear not later than the February, 1995 issue:

- (a) A letter from Landmark, in the form annexed hereto as Exhibit A; to be immediately followed by
- (b) An Editor's Note, in the form annexed hereto as Exhibit B.

Exhibits A and B shall be published consecutively and in the front of the magazine in the Letters to the Editor section in the same size typeface as used for other Letters to the Editor.

2. Contemporaneously with the execution of this Agreement, Landmark will deliver to its counsel, Morrison Cohen Singer & Weinstein ("MCS&W"), a release in the form annexed hereto as Exhibit C, duly executed by its authorized officer. Promptly after Defendants supply MCS&W with proof of the satisfaction of the terms of paragraph 1 hereof, MCS&W shall deliver the original release to Defendants' counsel, Satterlee Stephens Burke & Burke ("SSBB").

3. Contemporaneously with the execution of this Agreement, Defendants shall deliver to MCS&W, as Landmark's counsel, their releases, in the forms annexed collectively as Exhibit D.

4. Contemporaneously with the execution of this Agreement, MCS&W and SSBB will execute a stipulation of discontinuance of the Action, in the form annexed as Exhibit E, which stipulation shall be held by MCS&W and which stipulation shall be delivered by MCS&W to SSBB for filing promptly after Defendants supply MCS&W with proof of the satisfaction of the terms of paragraph 1 hereto.

5. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which shall constitute the same agreement.

Landmark Education Corporation

By: _____
Its

Advance Magazine Publishers, Inc.

By: Eric C. Anderson
Its Vice President

Dirk Mathison

Morrison Cohen Singer & Weinstein

By: _____

Satterlee, Stephens, Burke & Burke

By: Robert M. Satterlee

EXHIBIT A

Letter to the Editor

As the Chairman of the Board of Directors of Landmark Education Corporation which delivers The Landmark Forum, I am writing to take issue with your February, 1993 article entitled "White Collar Cults: They Want Your Mind," which listed The Landmark Forum as a "cult".

Since the Landmark Forum was inaccurately included as one of the programs and organizations that were labeled as "cults," I consider it necessary to state why Landmark and its program The Landmark Forum are not a cult. While there is no definitive definition of what constitutes a cult, there seems to be a general consensus that the major characteristics of cults are that:

- A. They require their members to give over to the organization ownership of all or a substantial portion of their assets.
- B. The members are separated from their families and friends, often to the point of excluding any contact with such people.
- C. There is a theology or dogma or doctrine that members are required to believe in and follow and in some cases worship.
- D. The members are restricted in their actions so as to no longer be involved in activities outside the cult.

Landmark and its program The Landmark Forum do not meet any of these characteristics. People who participate in The

Landmark Forum do not give over the ownership of their personal assets to Landmark other than payment of tuition for the program (\$290). In contrast to a cult having its members cut themselves off from their families and friends, people who have participated in The Landmark Forum have reported stronger relationships with their families, friends and work associates as one of the major results of their participation. There certainly is no communal living situation involved -- people participate in The Landmark Forum over three full days and one evening and return to their homes at the end of each part of The Landmark Forum.

The Landmark Forum provides no theology or dogma or doctrine to believe in and follow, there is nothing to worship and there are no practices to repeat. In fact, many participants in The Landmark Forum have reported that their participation enhanced their own religious beliefs and practices. Bishop Otis Charles, former Dean of the Episcopal Divinity School, has stated that "I have found that my participation in these programs has actually enhanced my own grasp of faith tradition and has helped me to be more effective in my religious responsibilities and practice ... and by no definition that I know can The Forum or Landmark's programs be considered to constitute or be part of a cult."

In direct contrast to being encouraged not to be involved in outside activities, people who participate in The Landmark Forum are empowered to participate in their communities, organizations and institutions. Many thousands of participants

in The Landmark Forum have reported that on their own initiative, they have taken on projects that make a difference in their communities, organizations and institutions.

The Landmark Forum does not use coercive pressure and deception to get people to join. There is nothing in The Landmark Forum for people to join. Landmark offers The Landmark Forum and other programs to the public, and people pay tuition for the programs as they would for adult education programs offered at any other educational organization. Landmark has a strict policy that participation in The Landmark Forum and its other programs must be voluntary, and coercion is inconsistent with such policy.

Moreover, Landmark and its program, The Landmark Forum, do not use any of the methods described in the article as used by cults, and do not produce the harmful effects described in the article as produced by cults.

Landmark is an employee-owned company engaged in the business of making available educational programs for the public as well as for communities, organizations and institutions in the United States and in several other countries. It offers a four-part Curriculum for Living, with the basic program being The Landmark Forum, together with several other advanced programs on subjects including communication, time management and productivity. The Landmark Forum is not based in psychology or upon any psychotherapeutic model, and many therapists have participated in The Landmark Forum. The Landmark Forum has

qualified for continuing education credit, which would not have been approved if The Landmark Forum were a cult.

The Landmark Forum deals with the fundamental questions and issues which are key to shaping and determining people's effectiveness, creativity, and satisfaction. As a result of participation in The Landmark Forum, people have the opportunity to create new possibilities for effective action in all aspects of their lives, and to act upon these possibilities.

Art Schreiber
Chairman of The Board of Directors
Landmark Education Corporation
San Francisco, Calif.

EXHIBIT B

EDITOR'S NOTE

The article in question was based on sources Self believed to be reliable, but Self has no first-hand knowledge or evidence that either Landmark or The Landmark Forum is a cult.

EXHIBIT C

RELEASE

This Release is dated as of the 1st day of October, 1994 and is executed by Landmark Education Corporation in favor of Advance Magazine Publishers, Inc., d/b/a Conde Nast Publications, Inc. and Self Magazine, and Dirk Mathison (collectively "Releasees").

In consideration of the Release, made by Releasees in favor of Landmark, in the form annexed as an exhibit to the parties' Settlement Agreement entered into as of October 1, 1994 and other good and valuable consideration, it is hereby agreed as follows:

1. Landmark, on behalf of itself, its employees, its agents, assigns, divisions, units, subsidiaries, officers and directors ("Releasor"), hereby releases and forever discharges Releasees, their employees, agents, representatives, divisions, units, subsidiaries, affiliates, officers and directors, from all actions, claims, demands, causes of action, obligations, damages and liabilities of any nature whatsoever, whether or not now known, suspected or claimed, which it had, has, claims to have, or hereafter can, shall or may have against Releasees which in any way arise out of or relate to the article entitled "White Collar Cults -- They Want Your Mind" and a sidebar entitled "America's Most Wanted Cults" which was published in the February, 1993 issue of Self magazine.

2. Except as set forth in Paragraph 1 above, this Release is not intended to and does not release or discharge any

claims, remedies, causes of action, obligations, damages or liabilities that Landmark may now have, has, or in the future may have, against Releasees from or relating to any other matter.

IN WITNESS WHEREOF, Landmark has caused this Release to be executed by its duly authorized officer and its corporate seal to be hereunto affixed on this ____ day of October, 1994.

Landmark Education Corporation

By: _____
Its

STATE OF CALIFORNIA)
) ss.:
COUNTY OF)

On October ____, 1994 before me, _____
personally appeared, _____
personally known to me (or proved to me on the basis of
satisfactory evidence) to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized
capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

WITNESS my hand and official seal.

_____ (SEAL)

EXHIBIT D-1

RELEASE

This Release is dated as of the 1st day of October, 1994 and is executed by Advance Magazine Publishers, Inc., d/b/a Conde Nast Publications, Inc. and Self Magazine, in favor of Landmark Education Corporation ("Releasee").

In consideration of the Release, made by Releasee in favor of Advance Magazine Publishers, Inc. and others, in the form annexed as an exhibit to the parties' Settlement Agreement entered into as of October 1, 1994 and other good and valuable consideration, it is hereby agreed as follows:

1. Advance Magazine Publishers, Inc., on behalf of itself, its employees, agents, assigns, divisions, units, subsidiaries, officers and directors ("Releasor"), hereby releases and forever discharges Releasee, its employees, agents, representatives, divisions, units, subsidiaries, affiliates, officers and directors, from all actions, claims, demands, causes of action, obligations, damages and liabilities of any nature whatsoever, whether or not now known, suspected or claimed, which it had, has, claims to have, or hereafter can, shall or may have against Releasee which in any way arise out of or relate to the article entitled "White Collar Cults -- They Want Your Mind" and a sidebar entitled "America's Most Wanted Cults" which was published in the February, 1993 issue of Self magazine.

2. Except as set forth in Paragraph 1 above, this Release is not intended to and does not release or discharge any claims, remedies, causes of action, obligations, damages or

liabilities that Releasor may now have, has, or in the future may have, against Releasee from or relating to any other matter.

IN WITNESS WHEREOF, Advance Magazine Publishers, Inc. has caused this Release to be executed by its duly authorized officer and its corporate seal to be hereunto affixed on this 31 day of October, 1994.

Advance Magazine Publishers, Inc.

By: Eric C. Anderson
Its Vice President

STATE OF)
COUNTY OF) ss.:

On October 31, 1994 before me personally came Eric C. Anderson to me known, who, by me duly sworn, did depose and say that (s)he resides at _____; that deponent is the VICE PRESIDENT of Advance Magazine Publishers, Inc., the corporation described in, and which executed the foregoing Release, that deponent knows the seal of the corporation, and that the seal affixed to the Release is the corporate seal, that it was affixed by order of the Board of Directors of the corporation, that deponent signed deponent's name by like order.

VIRGINIA M. BROWN
NOTARY PUBLIC, State of New York
No. 41-4806746
Qualified in Queens County
Commission Expires May 31, 1996

Virginia M. Brown
Notary Public

EXHIBIT D-2

RELEASE

This Release is dated as of the 1st day of October, 1994 and is executed by Dirk Mathison in favor of Landmark Education Corporation ("Releasee").

In consideration of the Release, made by Releasee in favor of Mathison and others, in the form annexed as an exhibit to the parties' Settlement Agreement entered into as of October 1, 1994 and other good and valuable consideration, it is hereby agreed as follows:

1. Mathison, on behalf of himself, his agents, heirs, assigns and successors ("Releasor"), hereby releases and forever discharges Releasee, its employees, agents, representatives, divisions, units, subsidiaries, affiliates, officers and directors, from all actions, claims, demands, causes of action, obligations, damages and liabilities of any nature whatsoever, whether or not now known, suspected or claimed, which it had, has, claims to have, or hereafter can, shall or may have against Releasees which in any way arise out of or relate to the article entitled "White Collar Cults -- They Want Your Mind" and a sidebar entitled "America's Most Wanted Cults" which was published in the February, 1993 issue of Self magazine.

2. Except as set forth in Paragraph 1 above, this Release is not intended to and does not release or discharge any claims, remedies, causes of action, obligations, damages or liabilities that Mathison may now have, has, or in the future may have, against Releasee from or relating to any other matter.

IN WITNESS WHEREOF, Mathison has caused this Release to
be executed by on this ____ day of October, 1994.

Dirk Mathison

STATE OF)
) ss.:
COUNTY OF)

On October ____, 1994 before me personally came Dirk Mathison, to me known and by me personally sworn, who said that he resides at _____, he is the individual named in the above Release and he duly executed same.

Notary Public

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

LANDMARK EDUCATION CORPORATION,

Plaintiff,

- against -

THE CONDE NAST PUBLICATIONS, INC.,
d/b/a SELF MAGAZINE, ADVANCE
MAGAZINE PUBLISHERS, INC. d/b/a
SELF MAGAZINE and DIRK MATHISON,

Defendants.

Index No. 114814/93

Calendar No.

STIPULATION
DISCONTINUING ACTION

IAS Part 3

Assigned to:
Hon. William J. Davis

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned, the attorneys of record for all the parties to the above entitled action, that whereas no party hereto is an infant or incompetent person for whom a committee has been appointed and no person not a party has an interest in the subject matter of the action, the above entitled action be, and the same hereby is discontinued with prejudice, without costs or attorney's fees to any party as against the other. This stipulation may be filed without further notice with the Clerk of the Court.

Dated: *November 14, 1994*

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